

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA,

Plaintiff,

v.

JODI ANNE MONTAVON,

Defendant.

INDICTMENT

(18 U.S.C. § 1344)

(18 U.S.C. § 1957)

THE UNITED STATES GRAND JURY CHARGES THAT:

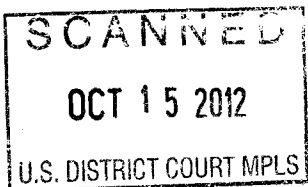
INTRODUCTORY ALLEGATIONS

1. At all times relevant to this Indictment, defendant Jodi Anne Montavon was an individual resident of the State of Minnesota and the owner of Montavon Motors, a Ford dealership located in Grand Rapids, Minnesota.

2. At all times relevant to this Indictment, Montavon Motors financed its inventory of new and used cars through American Bank of the North (the "Bank"), a federally insured financial institution located in Grand Rapids, Minnesota.

3. The financing agreement (hereinafter, the "Floor Plan") between Montavon Motors and the Bank required Montavon Motors to deal honestly with the Bank in three relevant respects, as follows:

- Montavon Motors was required to report the real cost or the market value of a new or used vehicle to the Bank and to request financing for that vehicle in an amount that did not exceed its real cost or market value;



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RICHARD D. SLETTEN, CLERK
JUDGMENT ENTERED _____
DEPUTY CLERK'S INITIALS _____

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- upon selling a financed vehicle, Montavon Motors was required promptly to repay the Bank the financed amount on that vehicle; and
- Montavon Motors was required to provide the Bank with monthly statements accurately reflecting its financial condition and cash flow.

4. At all relevant times, Montavon Motors maintained an operating account at the Bank (the "Operating Account") which functioned as a depository for the funds generated by the Floor Plan.

COUNT 1

(18 U.S.C. § 1344: Bank Fraud)

5. From in or about 2008 through in or about May 2010, defendant Montavon devised and executed a scheme and artifice to defraud the Bank of approximately \$1.5 million which involved a sustained pattern of Montavon:

- misrepresenting and exaggerating to the Bank the cost of vehicles being brought into inventory, thus borrowing substantially more from the Bank than they were worth;
- selling financed vehicles but not promptly repaying the Bank the amount advanced by the Bank to acquire them; and
- providing false monthly statements which concealed substantial, recurring cash flow problems at Montavon Motors.

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6. On or about November 1, 2008, in the State and District of Minnesota, the defendant,

JODI ANNE MONTAVON,

did knowingly and intentionally execute, and attempt to execute, a scheme and artifice to defraud the Bank, a federally insured financial institution, and to obtain, by means of false and fraudulent pretenses and representations, money and funds owned by and under the custody and control of the Bank, namely, defendant Montavon provided the Bank with a materially false statement of operations of Montavon Motors for the month of October 2008 which concealed substantial net operating losses of Montavon Motors in 2008.

All in violation of Title 18, United States Code, Section 1344.

COUNT 2

(18 U.S.C. § 1957: Engaging in a Monetary Transaction in
Criminally Derived Property)

7. At all relevant times, the Operating Account contained proceeds of the bank fraud scheme described in paragraph 1 through 6 above.

8. On or about February 3, 2010, in the State and District of Minnesota, the defendant,

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JODI ANNE MONTAVON,

did knowingly engage in a monetary transaction by and through a financial institution affecting interstate and foreign commerce in criminally derived property of a value greater than \$10,000.00 which was derived from specified unlawful activity, that is, the bank fraud scheme alleged in paragraphs 1 through 6 above, namely, defendant Montavon caused \$42,069.98 to be transferred from the Operating Account to American Express to pay off the balance owing on a Montavon Motors business credit card account which included substantial, personal charges incurred during a personal trip to the Virgin Islands.

All in violation of Title 18, United States Code, Section 1957.

FORFEITURE ALLEGATIONS

Counts 1 and 2 of this Indictment are hereby realleged and incorporated as if fully set forth herein by reference, for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Sections 982(a)(1) and 982(a)(2)(A).

As the result of the offense alleged in Count 1 of this Indictment, the defendant shall forfeit to the United States pursuant to Title 18, United States Code, Section 982(a)(2)(A), any property, real or personal, which constitutes or is derived from

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proceeds traceable to the violations of Title 18, United States Code, Section 1344.

As a result of the offenses alleged in Count 2 of the Indictment, the defendant shall forfeit to the United States pursuant to Title 18, United States Code, Section 982(a)(1), all property, real or personal, involved in said money laundering violation and all property traceable to such property, including the sum of money involved in Count 2.

If any of the above-described forfeitable property is unavailable for forfeiture, the United States intends to seek the forfeiture of substitute property as provided for in Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

A TRUE BILL

UNITED STATES ATTORNEY

FOREPERSON